GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:2798
ANSWERED ON:11.08.2003
RISE IN STEEL PRICES
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Will the Minister of STEEL be pleased to state:

(a) whether a sharp rise in international prices of billets of over U.S. Dollar 30 a tonne has changed the profit of Durgapur Steel Plant of Steel Authority of India Limited (SAIL);

(b) if so, the details thereof;

(c) whether plates, another loss making product of the company are now the prime export item contributing Rs.121.00 crores;

(d) if so, whether SAIL is expected to make huge profits during this year considering the rise in steel prices in both domestic and international markets; and

(e) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)&(b): The increase in international prices of billets has helped Durgapur Steel Plant (DSP) in improving its profitability. Net Sales Realisation of billets on export sales is higher as compared to domestic sales. Durgapur Steel Plant has optimally utilised this opportunity by exporting about 73500 tons of billets in Quarter-1 during 2003-04 as compared to about 8470 tons in the corresponding period of the last year.

(c) In the year 2002-2003, Steel Authority of India Limited (SAIL) has exported 279000 tons of Plate Mill (PM) Plates valuing Rs.33 crs. as compared to 166000 tons (Rs. 152 crs.) in 2001-02. In the current year 2003-04 (Quarter-1) 97000 tons of PM plates have been exported as compared to 41000 tons during the corresponding period last year.

(d)&(e): Based on the current market trend, SAIL is expected to make profit during 2003-04.